

Chief, Economic Research Area, ORR

16 September 1955

Chief, Materials Division, ORR

Exchange of Delegations - Justification For

Chemicals:

The prime target should be a determination of the level of Soviet technology and the general state of the art. We would want to determine in this connection the quality and availability of specialized equipment, including high pressure equipment, retorts, high pressure pumps, and the like. The chemicals industry is a basic industry in any economy; it is a dynamic industry where new products are frequently developed. In a real sense, the status of this industry determines the

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Petroleum:

Again, the most important gain would be better knowledge of the Soviet level of technology, both at the refinery and in the oil fields. The availability and quality of specialized equipment would be of particular interest, including drill pipe, casing, drilling bits, and high pressure refinery equipment. Statistics on production, cost, investment, etc. would be of value, as well as information on oil product transportation

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Ferrous Metals:

The main target would be information on the level of Soviet technology, including the quality of furnaces and of rolling equipment, the quality of end product and the quality of the inputs used. Information on Soviet capabilities for producing modern rolling mills would bear directly on important COCOM negotiations. We would also be greatly interested in the quantity of alloy steel production, its end-use, and in efficiency and labor productivity at individual plants.

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**SUBJECT: Exchange of Delegation - Justification For**

**Nonferrous:**

**Aluminum:**

Aluminum is an important aircraft input, it is an important metal among a group of metals whose applications have been greatly broadened in recent years. We could gain valuable information on techniques and methods of production, production capacity supply-demand balance, labor productivity, cost of production, and new applications.

**Copper: (Added Commodity)**

Copper has applications in many important industries, including electronics, electrical transmission, communications, electrical equipment, and internal combustion engines. It is apparently in quite short supply. We would like information on the supply-demand balance, and detailed information on the copper smelting operation at Lake Balkash.

**Manganese:**

A lack of manganese limits a country's ability to produce aircraft and other commodities where a light but strong metal is required. We would be interested in comprehensive information on manganese, including capacity, output, distribution of output, costs of production, and applications.

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